

AMENDED IN ASSEMBLY JANUARY 9, 2006

AMENDED IN SENATE MAY 12, 2005

AMENDED IN SENATE APRIL 18, 2005

SENATE BILL

No. 709

Introduced by Senator Speier

February 22, 2005

An act to amend Section ~~84040.6~~ of, and to add Section ~~84040.7~~ to, ~~71000~~ of the Education Code, relating to community colleges.

LEGISLATIVE COUNSEL'S DIGEST

SB 709, as amended, Speier. Community colleges: ~~audits board of~~ *governors*.

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. *Under existing law, the board of governors consists of 16 voting members and one nonvoting member.*

This bill would add the Lieutenant Governor to the board of governors as an ex officio 17th voting member. Existing law authorizes the establishment of community college districts under the administration of community college governing boards, and authorizes these districts to provide instruction at community college campuses throughout the state. Existing law establishes a system for the apportionment of state funding to community college districts. This system is generally based on calculations related to the number of full-time equivalent students (FTES) in attendance at each district.

Existing law requires the governing board of each community college district to provide for an annual audit of all funds, books, and accounts of the district in accordance with regulations of the board of governors. Existing law also requires the board of governors, in

cooperation with, and upon approval by, the Department of Finance, to prescribe the statements and other information to be included in the community college districts' audit reports.

Existing law requires the board of governors to report to the Joint Legislative Audit Committee on the number and nature of audit exceptions and the estimated amount of funds involved in the exceptions, a list of districts that failed to file their required audits, and the actions taken by the Department of Finance to eliminate audit exceptions and comply with management improvement recommendations.

This bill would require that this annual report also include a summary of any and all audit exceptions found by the office of the Chancellor of the California Community Colleges and the actions taken by the chancellor in response to those audit findings.

The bill would require the board of governors to establish a system for collecting information from students regarding errors in the reporting of classes on end-of-term grade reports. The bill would also require the board of governors to examine the formula that determines the level of funding for both credit and noncredit classes for the purpose of determining whether the formula should be amended in a manner that would help prevent errors by community college districts in the reporting of class enrollment for apportionment. The bill would require the board of governors to report its findings and recommendations in this regard, in writing, to the Director of Finance and the Legislature on or before October 1, 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 71000 of the Education Code is
2 amended to read:

3 71000. There is in the state government a Board of Governors
4 of the California Community Colleges, consisting of ~~16~~ 17
5 voting members and one nonvoting member, ~~appointed by the~~
6 Governor, as follows:

7 (a) Twelve members, each appointed by the Governor with the
8 advice and consent of two-thirds of the membership of the Senate
9 to six-year staggered terms. Two of these members shall be

1 current or former elected members of local community college
2 district governing boards.

3 (b) (1) (A) One voting student member, and one nonvoting
4 student member, who exercise their duties in accordance with the
5 procedure set forth in paragraph (3).

6 (B) ~~These students~~ *A student member* shall be enrolled in a
7 community college with a minimum of five semester units, or its
8 equivalent, at the time of the appointment and throughout the
9 period of ~~their terms~~ *his or her term*, or until a replacement has
10 been named. A student member shall be enrolled in a community
11 college at least one semester prior to his or her appointment, and
12 shall meet and maintain the minimum standards of scholarship
13 prescribed for community college students.

14 (C) Each student member shall be appointed *by the Governor*
15 from a list of names of at least three *eligible* persons submitted to
16 the Governor by the California Student Association of
17 Community Colleges.

18 (2) The term of office of one student member of the board
19 shall commence on July 1 of an even-numbered year, and expire
20 on June 30 two years thereafter. The term of office of the other
21 student member of the board shall commence on July 1 of an
22 odd-numbered year, and expire on June 30 two years thereafter.
23 Notwithstanding paragraph (1), a student member who graduates
24 from his or her college on or after January 1 of the second year of
25 his or her term of office may serve the remainder of the term.

26 (3) During the first year of a student member's term, a student
27 member shall be a member of the board and may attend all
28 meetings of the board and its committees. At these meetings, a
29 student member may fully participate in discussion and debate,
30 but may not vote. During the second year of a student member's
31 term, a student member may exercise the same right to attend
32 meetings of the board; and its committees, and shall have the
33 same right to vote as the members appointed pursuant to
34 subdivisions (a) and (c).

35 (4) Notwithstanding paragraph (3), if a student member
36 resigns from office or a vacancy is otherwise created in that
37 office during the second year of a student member's term, the
38 remaining student member shall immediately assume the office
39 created by the vacancy and all of the participation privileges of

1 the second-year student member, including the right to vote, for
2 the remainder of that term of office.

3 (c) Two voting tenured faculty members from a community
4 college, who shall be appointed *by the Governor* for two-year
5 terms. The Governor shall appoint each faculty member from a
6 list of names of at least three *eligible* persons furnished by the
7 Academic Senate of the California Community Colleges. Each
8 seat designated as a tenured faculty member seat shall be filled
9 by a tenured faculty member from a community college pursuant
10 to this section and Section 71003.

11 (d) One voting classified employee, who shall be appointed by
12 the Governor for a two-year term. The Governor shall appoint the
13 classified employee member from a list of at least three *eligible*
14 persons furnished by the exclusive representatives of classified
15 employees of the California Community Colleges.

16 (e) *The Lieutenant Governor shall serve, ex officio, as a*
17 *voting member of the board of governors.*

18 ~~SECTION 1. Section 84040.6 of the Education Code is~~
19 ~~amended to read:~~

20 ~~84040.6. On June 30, 1991, and each year thereafter, the~~
21 ~~Board of Governors of the California Community Colleges shall~~
22 ~~report to the Joint Legislative Audit Committee on all of the~~
23 ~~following:~~

24 ~~(a) The number and nature of audit exceptions and estimated~~
25 ~~amount of funds involved in the exceptions.~~

26 ~~(b) A list of districts that failed to file their audits pursuant to~~
27 ~~Section 84040.~~

28 ~~(c) The actions taken by the Department of Finance to~~
29 ~~eliminate audit exceptions and comply with management~~
30 ~~improvement recommendations.~~

31 ~~(d) A summary of any and all audit exceptions found by the~~
32 ~~chancellor's office and the actions taken by the chancellor in~~
33 ~~response to the audit findings.~~

34 ~~SEC. 2. Section 84040.7 is added to the Education Code, to~~
35 ~~read:~~

36 ~~84040.7. Notwithstanding any other provisions of law:~~

37 ~~(a) The board of governors shall establish a system for~~
38 ~~collecting information from students regarding errors in the~~
39 ~~reporting of classes on end-of-term grade report. The board of~~
40 ~~governors shall provide that each student end-of-term grade~~

1 reports shall have an annotation that states that, if a student notes
2 that a class that has never been taken appears on his or her
3 end-of-term grade report, the student shall report that fact to an
4 entity identified by the board of governors. The board of
5 governors shall establish a method for tracking errors at each
6 community college district for the purposes of determining
7 whether a pattern of errors would warrant an audit of a specific
8 community college campus or district.

9 (b) On or before July 1, 2006, the board of governors shall
10 examine the formula that determines the level of funding for both
11 credit and noncredit classes for the purpose of determining
12 whether the formula should be amended in a manner that would
13 help prevent errors by community college districts in the
14 reporting of class enrollment for apportionment. The findings and
15 recommendations of the board of governors with respect to this
16 matter shall be reported, in writing, to the Director of Finance
17 and the Legislature on or before October 1, 2006.